

M'NABB RELEASED; CLEAN BILL IS GIVEN TO M'REYNOLDS

**Special Counsel Will Be Selected
to Prosecute Caminetti-Diggs
Cases From Men Who Oc-
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Confidence in Legal Pro-
fession in California.**

[Special to The Times-Dispatch.]
Washington, June 24.—"I release you without hesitation, and accept your resignation, to take effect at once." This is the concluding statement of the telegram which President Wilson to-night sent to John I. McNabb, United States District Attorney, of San Francisco, after a conference with Attorney-General McReynolds. The President also decided to direct the immediate arrest at San Francisco of the cases of Caminetti and Diggs, the California financiers charged with violation of the white slave act.

The White House to-night gave out copies of the Attorney-General's full report on the Caminetti-Diggs cases and also the Western Fuel Company

The President will select special attorneys to prosecute these cases from a list of men who occupy the highest positions of confidence in the legal profession in California. Francis J. Hayden, a prominent lawyer, has been named as chief counsel. He was previously elected Aburf, and the San Francisco Board of Supervisors graft cases, will be one of special counsel. Mat J. Sullivan, a Democrat who was associated with the late Governor, has been selected to assist him in these cases. Thomas Hayden, a leading trial lawyer of San Francisco, is also under consideration. It is probable that all of them will be retained by the government.

McNabb Is Released.
The President to-night sent the following telegram to John I. McNabb, of San Francisco:

"I greatly regret that you should have acted so hastily, and under such complete a misapprehension of the actual circumstances, but, since you have chosen such a course and have given your resignation the form of an inexcusable intimation of injustice and wrongdoing on the part of your superior, I release you without hesitation and accept your resignation to take effect at once."

—ASSOCIATED PRESS.

McTeenoyds commented:

To Attorney-General McWilson, the President-to-day wrote as follows:

"My Dear Mr. Attorney-General:

"Allow me to acknowledge with sincere appreciation your letter of to-day giving me a full account of the way in which the Department of Justice has dealt with the Diggs-Caminetti and the Western Fuel Company cases, pending in California, and transmitting those documents connected with the two cases necessary for the President's election. I am entirely satisfied that the course pursued has been

cases was prompted by sound and impartial judgment and a clear instinct for what was fair and right. I approve your course very heartily and without hesitation. But I agree with you that we must not neglect what has been said by me and others, that the public does not rely on us as the obligation to press these cases with the utmost diligence and energy. I approve very heartily of your suggestion that in the circumstances special counsel be employed, the ablest we can obtain, who will be free to conduct the case about the selection of

that you will do this without delay. I am very glad indeed that you are giving your personal attention to the immediate and diligent prosecution of

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MORGAN EXPLAINS MONEY SHORTAGE

Appears as Witness to Testify Re-
garding General Condition of

Investment Market.
[Special to The Times-Dispatch.]
New York, June 24.—For the second time since the founding of the firm of J. P. Morgan & Company, the head

that banking house appeared before the public committee and gave testimony regarding financial conditions. J. P. Morgan appeared to-day before the Public Service Commission and testified regarding the general condition of the investing companies and officials concerning the advisability of allowing the New York Central lines to issue certain bonds in connection with the Lake Shore and Michigan Southern Railroad. The only other time when a member of the Morgan banking house testified was when, in 1904, the late J. Pierpont Morgan appeared before the Pujo Committee at Wash-

Regarding present financial conditions, Mr. Morgan testified:

"The trouble is that the call for money just at present is a little greater than the available amount. To make it clearer, I mean that the legitimate needs of business are greater than the available capital just now, and that therefore, the demand for money is higher than it has been for a long

The hearing of the commission was in regard to the application of New York Central to issue 4 per cent bonds to take the place of 3 1-2 per cent bonds in connection with the consolidation with the Lake Shore and Michigan Southern. In relation to this Mr. Morgan said:

"It is most advisable that these bonds be placed at the best value and the most tempting figures. Conditions are now such that bonds must be placed at

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